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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/695,481	10/27/2003	Cheryl Phillips	1DATA.120A	5221

20995 7590 03/04/2008  
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EXAMINER
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DANNEMAN, PAUL

ART UNIT	PAPER NUMBER
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3627

NOTIFICATION DATE	DELIVERY MODE
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03/04/2008

ELECTRONIC

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

jcartee@kmob.com  
eOAPilot@kmob.com

<b>Office Action Summary</b>	<b>Application No.</b> 10/695,481	<b>Applicant(s)</b> PHILLIPS ET AL.	
	<b>Examiner</b> PAUL DANNEMAN	<b>Art Unit</b> 3627	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 27 October 2003.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-36 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-36 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 27 October 2003 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |   |   |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                   | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)          | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)                   | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>27 May 2004, 12 May 2006, 27 Jan 2006, 16 Oct 2006, 6 Jul 2007</u> . | 6) <input type="checkbox"/> Other: _____                          |



## DETAILED ACTION

### Status of Claims

1. This action is in response to the application filed on 27 October 2003.
2. Claims 1-36 have been examined.

### *Claim Rejections - 35 USC § 103*

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

5. Claims 1-5, 10-15, 20-24, and 29-36 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sanders et al., US 2003/0158811 A1 hereafter known as Sanders.

6. **Examiner's note:** Examiner has pointed out particular references contained in the prior art of record in the body of this action for the convenience of the Applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply. Applicant, in preparing the response, should consider fully the **entire** reference as potentially teaching all or part of the claimed invention, as well as the content of the passage as taught by the prior art or disclosed by the Examiner.

**Claims 1, 10, 20 and 29:**

With regard to the limitations:

- ***Accessing editable transaction records.***
- ***Accounts receivable check transaction records do not receive an editing receipt.***

Sanders in at least paragraphs [0008 through 0010] discloses both consumer and corporate ACH transactions. Sanders in at least paragraph [0013] further discloses that front-end processing by merchants is performed via a number of different software applications. Sanders in at least FIG. 11 and paragraph [0313] still further discloses an account receivable conversion workflow where checks are scanned both OCR and MCIR to create network ready data files. Saunders in at least paragraph [0314] still further discloses a verification process for the network ready data files and for manual editing of deficiencies.

**Claims 2-5, 11-15, 21-24, and 30-36:**

With regard to the limitations:

- ***Check image contains magnetic ink character recognition (MICR) information.***
- ***Check transaction records include accounts receivables that do not get an editing receipt.***
- ***Check transaction records include face-to-face previously authorized by a check processing service.***

Sanders in at least Fig.10 and paragraph [0297] discloses transaction processing and scanning of paper financial transaction payment instruments with a scanned transaction retrieval module configured to separate MICR and transaction data detail from the scanned image and transmitting the transaction data to the business layer for further processing according to some multiple independent rules. Sanders in at least paragraph [0299] further discloses that the multiple independent rules are configured to determine the clearinghouse eligibility of the transaction items based on the MICR data and / or transaction data of the respective transaction item.

7. Claims 6-9, 16-19, and 25-28 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sanders as applied to claims 1-3, 10-13, and 20-21 above, and further in view of Slater, US 7,020,639 B1.

**Claims 6-9, 16-19, and 25-28:**

With regard to the limitation:

- ***Transaction records can be edited to correct deficiencies.***

Saunders in at least paragraph [0314] discloses a verification process for editing deficiencies.

Saunders however, does not disclose the following limitation.

- ***Check transaction records previously authorized by a check processing service have a risk assessment performed on them.***

Slater in at least Column 7, lines 62-67 and Column 8, lines 1-20 discloses a method for assessing a check based on the past and current performance of a checking account. Therefore, it would have been obvious, at the time of the invention, to one of ordinary skill to modify Sanders' rules based electronic funds transaction processing with the risk assessment of Slater to minimize losses to merchants and check processing companies from fraudulent checks.

**Conclusion**

8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to PAUL DANNEMAN whose telephone number is (571)270-1863. The examiner can normally be reached on Mon.-Thurs. 6AM-5PM Fri. off.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Florian Zeender can be reached on 571-272-6790. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Paul Danneman/

Examiner, Art Unit 3627

15 February 2008

/F. Ryan Zeender/

Supervisory Patent Examiner, Art Unit 3627